**4th Working Meeting on the EU Strategy for the Baltic Sea Region**

Proposed concept for parallel session on Smart Specialisation (including R&D, innovation, entrepreneurship and education)

Date: 11 April 2013 11:00–12:45 and 13:45–15:15

Venue: Aalto University Dipoli Congress Centre, Otakaari 24, 02150 Espoo, Finland

Participants: approximately 50

**The objective of the 4th Working Meeting on the EUSBSR:**

Key stakeholders of the EUSBSR and Member State representatives responsible for national strategic planning and implementation of Europe 2020 Strategy for smart, sustainable and inclusive growth, will meet to identify concrete areas of cooperation in the Baltic Sea Region for mutual benefit in 2014-2020.

**The objective of the working session:**

Investing more and in more efficient way to research and development, innovation, as well as entrepreneurship, is at the heart of Europe 2020 Strategy and crucial to recover from the economic downturn. More strategic and integrated approach to research and innovation is needed in order maximise the national and regional innovation potential and increase the competitiveness of Member States/regions.

Being a part of Europe 2020 Strategy the flagship initiative *Innovation Union* highlights the concept of smart specialization as a way to achieve smart, sustainable and inclusive growth in Europe. The flagship initiative underlines the importance to reform the national and regional R&D and innovation systems to foster excellence and smart specialisation, reinforce cooperation between universities, research and business. Also the *Innovation Union* highlights the need to avoid the allocation of funding to priorities where regions lack relative strengths and the need of regions to redirect funding based on a smart specialisation approach and focus on relative strengths where they can become excellent.

The smart specialization as a tool to maximise the impact of EU regional policy in combination with other Union policies, programmes (for example, Horizon 2020) has been highlighted in the Commissions Communication ‘Regional Policy contributing to smart growth in Europe 2020’. In this document the Commission encourages to draw up national/regional research and innovation strategies for smart specialization as a mean to ensure more efficient use EU structural and public funds, as well as stimulate the private sector investments.

Smart specialisation was recognized by the Commission in its proposal for Cohesion Policy in 2014-2020 as essential for effective research and innovation investments. The development of research and innovation strategies for smart specialisation (RIS3 strategies) is an obligation (ex-ante conditionality) for using the European Regional Development Fund (ERDF) in 2014-2020 to support these investments. The RIS3 ex-ante conditionality means that every Member State/region has to have a national or regional smart specialization strategy (built on Member States/region strengths, competitive advantages and potential for excellence) in place before they will receive the EU structural funds support. The same ex-ante conditionality is applied in the European Agricultural Fund for Regional Development (EAFRD).

Baltic Sea region has strong common interests and potential in specific fields of research and innovation which create scope for a more (cost-) effective mobilisation of available human, infrastructural and financial resources for research. A mapping of innovation policy priorities in the Baltic Sea region (Technopolis Group, 2011) identified a number of common areas where national funding is focused, including: ICT, Life science (notably biotechnology), Healthcare (and ‘wellness’) services, Agro-food, ‘Cleantech’ (notably in Denmark and Finland), Energy (notably renewables) (with some overlap with cleantech field), Materials (ranging from nanotech, through plasma to more traditional materials).

In the framework of the EUSBSR, the smart specialization plays an important role an increasing prosperity in the Baltic Sea region. As it stated in the Action Plan of the EUSBSR ‘by applying the smart specialisation concept, combining strengths, competences, R&D and players in the whole Baltic Sea region in a smart way, there are good opportunities for the Baltic Sea region to become a globally leading innovation player in several specific fields’. In this case the activities like the establishment of common Baltic Sea region innovation strategy and some flagship project such as *BSR Stars* (a programme for R&I, clusters and SME networks in the BSR), *ScanBalt Health Region* (focus on cross-sectoral and transnational projects for innovation in health and in life sciences), *Submariner* (focus on sustainable and innovative use of Baltic marine resources), *Baltic Business Arena* (focus on development of platforms for SMEs to support cooperation in terms of innovation, trade, exports with joint delivery across borders) could be mentioned as an examples.

In addition, the priorities of a RIS3 can perfectly well be directly linked to the objectives of saving the sea and connecting the region, as smart specialisation concept could be applied in many areas (for example, transport, environment and etc.).

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| **The EUSBSR activities** | **Position papers** | **Thematic objective (CPR regulation)** |
| Support and promote innovations | Increased investments in R&D, innovation, more coordination and specialisation | (1) Strengthening research, technological development and innovation |
| Strengthen cooperation between enterprises, knowledge institutions and public authorities | Cooperation between private sector, research and innovation, education |
| Use of information and communication technologies (ICT products and services) | The use of ICT | (2) Enhancing access to and use and quality of ICT |
| Support for entrepreneurship and SMEs development  | Support the entrepreneurship and SME development  | (3) Enhancing the competitiveness of SMEs |
| Promote entrepreneurship education |

The overall aim of the session is to draw the links between the *EUSBSR and the RIS3s of the Member States/regions, to identify the possible common specialized areas in the Baltic Sea region.* The objectives of the workshop are: to explore synergies between a) the priorities of the different RIS3 of Member States/regions, and b) the RIS3 priorities and the priority areas of the EUSBSR; to encourage necessary coordination and cooperation processes between the Member States in order to maximise the synergies and minimise the fragmentation of the strategies.

**Proposed discussion questions:**

1) How the RIS3s could help to achieve the objectives of the EUSBSR and vice versa?

2) How cooperation in the Baltic Sea region can give an outward looking dimension to RIS3 and connect the RIS3s in the Region?

3) In which areas the cooperation with partners in the Baltic Sea region could be developed?

**Moderation:** *Ulf Sävback*, Swedish Agency for Economic and Regional Growth, Sweden

*Inger Midtkandal*, Smart Specialisation Platform, European Commission

**Proposed agenda of the session:**

11:00 – 11:45 Introduction: objectives of session, short intro to the EUSBSR and Priority Areas with particular focus on Priority Areas INNOVATION, EDUCATION and SME, short intro to RIS3.

11:45 – 12:45 Example 1 presentation followed by a discussion (20+30 min)

12:45 – 13.45 Lunch

13:45 – 14:45 Example 2 presentation followed by a discussion (20+30 min)

14:45 – 15:15 Comments from the Priority Area coordinators from Priority Area INNOVATION, Priority Area EDUCATION and Priority Area SME

Comments from Member States on their progress on RIS 3 and to what extent it is connected to the EUBSR

 Can we draw conclusion on cooperation opportunities and work to be done with regard to stimulate the Baltic Sea region cooperation?

Is this cooperation likely to give value added for both RIS3 and the EUSBSR?

 What is the way foreword?

**Proposed follow up:**

If the conclusions are successful, the S3 Platform could assist in organising a 2 day peer-review workshop for the Baltic Sea region cooperation with the objectives to look closer at the different RIS3 and their potential synergies. The workshop would use a modified methodology of the one already used for our Peer Review workshops in order to concentrate on potential synergies and value added by cooperation.